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EXAMINER

PATEL, JAGDISH

ART UNIT

PAPER NUMBER

3624

DATE MAILED: 02/10/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/553,068

Applicant(s)

PHILLIPS ET AL.

Examiner

JAGDISH N PATEL

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MLV

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 11-17-03 and original filing.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-4 and 6-60 is/are pending in the application.
- 4a) Of the above claim(s) 26-42 and 53-60 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-4, 6-25 and 43-52 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☒ Claim(s) 26-42 and 53-60 are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date. _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Election/Restrictions

1. This application contains three distinct inventions outlined as follows. Restriction to one of the inventions is required under 35 U.S.C. 121:

The three groups of inventions are distinct, each from the other because of the following reasons:

The inventions are distinct if it can be shown that either: (1) the process as claimed can be practiced by another materially different apparatus or by hand, or (2) the apparatus as claimed can be used to practice another and materially different process. (MPEP § 806.05(e)).

2. Restriction to one of the following inventions is required under 35 U.S.C. 121:

i. Group I: Claims 1-4, 6-25 and 43-52 are, drawn to a method of performing billing service where a billing service provides separate and distinct first and second billing data to the user to register with and subsequently conduct business transactions with a first and a second web sites respectively.

ii. Group II: Claims 26-29, 30-37 and 53-60 are drawn to a method of providing substitute billing data using an electronic device which obtains distinct credit card numbers from a billing service wherein the credit

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card numbers and subsequently selects a first and a second credit card numbers to facilitate purchasing transactions with a first and second business respectively.

iii. Group III: Claims 38-42 are drawn to a method for a billing service to process received purchase transactions against substitute billing data associated with a user. The billing service groups the received charges according to each business submitting the charges.

2. Inventions in Groups I-III are related as sub combinations disclosed as usable together in a single combination. The sub combinations are distinct from each other if they are shown to be separately usable.

3. In the instant case, Group I has separate utility over Groups II and III such as a user registering with a first and second web site and a billing service providing a first and second billing data for use with the first and second web site.

This subcombination is distinct from Group II and III subcombinations as explained below:

a. Group I invention(s) lacks group II's feature of having an electronic device obtaining distinct credit card numbers from a billing service for use by the user as a substitute for a personal billing data and the electronic device selecting a first and a second of the obtained

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credit card numbers to facilitate conduct of multiple purchasing transactions.

b. Group I invention(s) lacks group III's feature of a billing service processing received purchase transactions against substitute billing data associated with a user and the billing service grouping the received charges according to each business submitting the charges.

4. Group II has separate utility over Groups I and III such as an electronic device obtaining distinct credit card numbers from a billing service wherein the credit card numbers and a user subsequently selecting a first and a second credit card numbers of the obtained credit card numbers to facilitate purchasing transactions with a first and second business respectively.

a. Group II invention(s) lacks Group I's feature of a billing service performing providing separate and distinct first and second billing data to the user to register with a first and a second web site and subsequently conduct business transactions with the first and the second web sites respectively.

b. Group II invention(s) lacks Group III's feature of

c. a billing service processing received purchase transactions against substitute billing data associated with a user and the billing service grouping the received charges according to each business submitting the charges.

5. Group III has separate utility over Groups I and II such as a billing service processing received purchase transactions

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against substitute billing data associated with a user and the billing service grouping the received charges according to each business submitting the charges.

a. Group III invention lacks Group I's feature of a billing service performing providing separate and distinct first and second billing data to the user to register with a first and a second web site and subsequently conduct business transactions with the first and the second web sites respectively.

d. Group III invention lacks Group II's feature of having an electronic device obtaining distinct credit card numbers from a billing service for use by the user as a substitute for a personal billing data and the electronic device selecting a first and a second of the obtained credit card numbers to facilitate conduct of multiple purchasing transactions.

6. During a telephone conversation with attorney Aloysius AuYeung, Reg. No. 35,432 on 01/27/04 a provisional election was made with traverse to prosecute the invention of group I, claims ~~1-25~~ and 43-52. Affirmation of this election must be made by the applicant in replying to this office action. Accordingly, claims 26-42 and 53-60 are withdrawn from further consideration by the examiner as being drawn to a non-elected invention(s) and Claims 1-25 and 43-52 have been examined.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful

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improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

1. Claims 1, 2, 13, and 28 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as

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mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. In *re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

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In the present application, Claims 1-4, 6-? have no connection to the technological arts. None of the steps indicate any connection to a computer or technology. The step of communicating a plurality of brand promotions over a network could be performed manually by a person physically delivering the brand promotion to a "network" of chain stores within an area. The term "network" could also include sending the brand promotions through the US Postal network, using a courier service such as UPS to deliver the brand promotions through its network of carriers, etc.. Therefore, the claims are directed towards non-statutory subject matter. To overcome this rejection the Examiner recommends that Applicant amend the claims to better clarify which of the steps are being performed within the technological arts, such as incorporating a computer network or electronic network into the communicating steps; for example: "(a) communicating over a computer network a plurality of brand promotions...". The other claims could be similarly amended to include a computer network.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. **Claims 1-4, 6-25 and 43-52 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.**

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4. Note: Only exemplary analysis is provided for representative claims. Applicant should review all claims for similar deficiencies as discussed herein.

5. claim 1 recites limitation "registering a user with a first web site" does not relate to limitation "...providing a first billing data for use with said first web site and ..to conduct subsequent transactions with said first web site". Note that the "registering" limitation does not require any use of the billing data. Therefore, the (billing service) providing a first billing data has only intended use. The intended use being that the user may register with the first web site using the first billing data and conduct subsequent transactions with the web site. However, the "registering" step does not require use of the billing data. The intended use of the billing data, therefore, is not afforded any patentable weight consistent with the following requirement of the MPEP (section 2106 Patentable Subject Matter - Computer-Related Inventions) is quoted for the benefit of the applicant:

"Note that Language that suggests or makes optional but does not require steps to be performed or does not limit a claim to a particular structure does not limit the scope of a claim or claim limitation. The following are examples of language that may raise a question as to the limiting effect of the language in a claim:

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(A) statements of intended use or field of use, .."

6. dependent claims 2-4 and 6-25 also inherit same deficiency.

7. Claims 1-4 and 5-25 are also rendered indefinite because of the following deficiencies:

Claim 1 is a method claim. However, it recites as a limitation "a billing service" which is interpreted as a system or apparatus claim and clearly is not a method step or a process step of the claimed method. It is recommended that the claim be amended to recite the limitation as a method step such as "providing a billing data from a billing service for use..." etc. Note similar deficiencies are also present in dependent claims 2-4 (limits first billing data), claim 6 (limits second billing data).

Likewise, dependent claims 2-4 and 6-25 also recite limitations which do not further limit the method steps of the parent claim. Instead they recite limitations of the "billing data", "first web site", "billing service" etc. which are elements of an apparatus or a system and do not "structurally limit" to the method claim which they intend to further limit.

8. dependent claims 2-4 and 6-25 also inherit same deficiency.

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9. Claim 11 recites the limitation "said computing device" in line 4. There is insufficient antecedent basis for this limitation in the claim. Similar deficiency is also found in claim 14.

10. Note that the apparatus claims 43-52 also are defective in a similar manner as corresponding method claims 1-25.

As an example:

Claim 43 recites "a storage medium ..a plurality of programming instructions..when the programming instructions are executed, to

Register the user with a first web site and provide a first billing data as substitute for personal billing data of the user, for said registering and subsequent transactions with said web site"

Note that the attributes of the billing data "..as substitute for personal billing data of the user, for said registering and subsequent transactions with said web site" has no subsequent use or structural relationship with any other process step. Consequently, these attributes are treated as mere non functional descriptive material and not considered for patentability.

Due to the aforementioned defect, claims 43-53 are rendered indefinite. The applicant is requested to review all dependent claims for similar deficiencies. For the purpose of

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prior art analysis, it is assumed that the registering step is performed as claimed i.e. without any use of the "billing data".

The following prior art analysis is presented in view of the examiner's understanding of the claims due to extensive nature of deficiencies.

11. Claims 1-21 and 25 are rejected under 35 U.S.C. 102(e) as being clearly anticipated by Demoff et al. (US Pat. 6,456,984). (Demoff).

Claim 1: Demoff discloses a method comprising:

registering a user with a first web site;

(col. 5 L 6+ direct HTML information link to the (billing) service provider is from a vendor's web page, a user (customer) who wish to purchase certain goods visits the vendor's web page, i.e. registers with the web site so as to facilitate the purchase transaction)

a billing service providing a first billing data ...;

(col. 2 L 8-21, ...a billing service (service provider 12 Fig. 1) provides credit transaction number to the requesting customer or the identified vendor, also user is registered with a registered vendor who provides a direct link to service provider from inside a vendor's web page. Note that for each

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transaction associated with a vendor a separate and distinct "transaction number" is provided by the billing service called "E-commerce" system, refer to col. 2 L 8-22 and Fig.2-8).

registering the user with a second web site; and
the billing service providing a second billing data, separate and distinct from the first billing data, for use to register said user with said second web site, and for use to conduct subsequent transaction with said second web site.

(refer to analysis provided above in "the billing service providing a first billing data". It is noted that as shown in Figure 1, the billing service 12 is connected to a plurality of vendors, (registered vendors 24 and unregistered vendors 26), therefore), therefore, the second billing data pertains to a second vendor who operates a second web site.)

Claim 2. wherein the first/second billing data are provided to the user in advance of said registering with said first/second web sites.

(col. 5 L 44-51, credit transaction number is sent to the customer then he may register with the vendor's web site.)

Claim 3. wherein the first/second billing data are provided to the user in real time during said registering with said first/second web sites (col. 5 L 6-31).

Claim 4. wherein the first billing data comprises a first credit card identifier, and the second billing data comprises a

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second credit card identifier, separate and distinct from said first credit card identifier (refer to claim 1 discussion).

Claim 5. cancelled

Claim 6. wherein the first billing data corresponds to a selected one of an advance debit charge, a real-time credit charge, or a post-transaction invoicing arrangement, and the second billing data corresponds to a selected one of an advance debit charge, a real-time credit charge, or a post-transaction invoicing arrangement, said second billing data separate and distinct from said first billing data.

(col. 5 L 6-31).

Claims 7-9: said first/second web sites requiring first/second payment formats; paying for a transaction with said first/second web site according to said first/second payment format; and

billing the user according to a private billing data different from said first/second billing data.

Claims 8 and 9 are similarly analyzed.

(refer to " the charge could then be billed .." col. 5 L 6-31).

Claim 10. The method of claim 1, further comprising: the billing service obtaining said first/second billing data from a financial institution (refer to processing subsystem 28, col. 3).

Claim 11. wherein the billing service providing said first/second billing data comprises:

the billing service selecting said first/second billing data from a plurality of distinct billing data provided to said computing device (col. 3 "randomly generated unique, temporary credit transaction numbers that are valid only for a single purchase transaction and a very short period of time").

Claim 12. The method of claim 11, the method further comprising:

the billing service contacting a financial institution to obtain the plurality of distinct billing data from the financial institution; and

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receiving the plurality of distinct billing data from the financial institution.

(Fig. 8 blocks 308 and 309, in this steps the billing service performs settlement of transaction, also refer to col. 6 lines 9-24).

Claim 13. the billing service obtaining in real time said first/second billing data from a bank (refer to claim 12 analysis).

Claim 14. the billing service obtaining said first/second billing data from a bank; and during a transaction with said first/second web site, the computing device obtaining said first/second billing data in real time from the billing service (col. 3 L 34-52).

Claim 15. the billing service receiving a plurality of billing data from the bank; and selecting said first/second billing data from said plurality of billing data (Fig.4, col. 4 L 55-65, user selected categories).

Claim 16. wherein said obtaining by the billing service of said first/second billing data is performed during the transaction with said first/second web site (inherent because Demoff provides for credit transaction numbers valid for a very short period of time, col. 3 L 33-52).

Claim 17. The method of claim 1, further comprising:
notifying the billing service of usage of said first/second billing data with said first/second web sites;
wherein said notifying allows the billing service to confirm charges to said first/second billing data originate from said first/second web sites.

[refer to col. 5 L 62- col. 6 l 17, the service provider is notified of the usage of the customer's credit card with the vendor (web site of)].

Claim 18. The method of claim 17, further comprising:
wherein said notifying the billing service occurs with providing said first/second billing data to said first/second web site.

[refer to col. 5 L 62- col. 6 l 17 as discussed above].

Claim 19. The method of claim 17, further comprising:

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wherein said notifying the billing service occurs after providing said first/second billing data to said first/second web site.

[this is the case where the billing data was credit transaction number was issued for processing like a "conventional credit card, col. 4 L 22-24].

Claim 20. The method of claim 1, further comprising: receiving charges to said first and second billing data; and organizing said received charges based at least in part on whether the charges are applied to the first or the second billing data.

[refer to Fig. 4 vendor account summary discloses this limitation inherently].

Claim 21. The method of claim 20, wherein said organizing is based on whether a charge to first/second billing data is received from the web site to which said first/second billing data was provided.

[refer to Fig. 4 vendor account summary discloses this limitation inherently].

Claim 25. The method of claim 1, wherein the web site is a selected one of a content provider, a service provider and an access provider (refer to service provide 12 connected to customer 18 via a PCS mobile telephone network).

Claims 43-52: all limitations of claim 43 have been analyzed in corresponding method claim 1-25 in respective order.

Claim Rejections - 35 USC § 103

12. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the

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differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

13. Claims 22-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Demoff as applied to claim 21 above, and further in view of Official Notice.

Claims 22-24: Demoff fails to disclose the feature of the billing service disputing charges to said billing data not received from the web site (i.e. electronic merchant) as per claims 22-24.

Official notice is taken that disputing charges by the billing service (e.g. credit card provider) at the request of the customer who purchases goods from a merchant is old and well known in credit or debit purchases. It would have been obvious to one of ordinary skill in the art at the time of the invention to provide for disputing charges and providing a user interface (in case of electronic merchant) because this would facilitate quick resolution of the disputed charges.

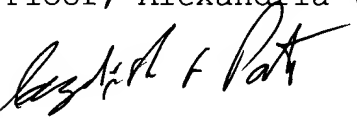
Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jagdish Patel whose telephone number is (703) 308-7837. The examiner can normally be reached Monday-Thursday from 8:00 AM to 6:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin, can be reached at (703) 308-1038. The fax number for Formal or Official faxes to Technology Center 3600 is (703) 305-7687. **Draft faxes may be submitted directly to the examiner at (703) 746-5563.**

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Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113 or 308-1114. Address for hand delivery is 2451 Crystal Drive, Crystal Park 5, 7th Floor, Alexandria VA 22202.

A handwritten signature in black ink, appearing to read 'Jagdish Patel', is written over a horizontal line.

Jagdish Patel, AU 3624

2/5/04